

Cargill Retirees
Susan Brower, State Demographer
January 2014



Topics for today



- 3 BIG demographic trends
- Your questions and insights



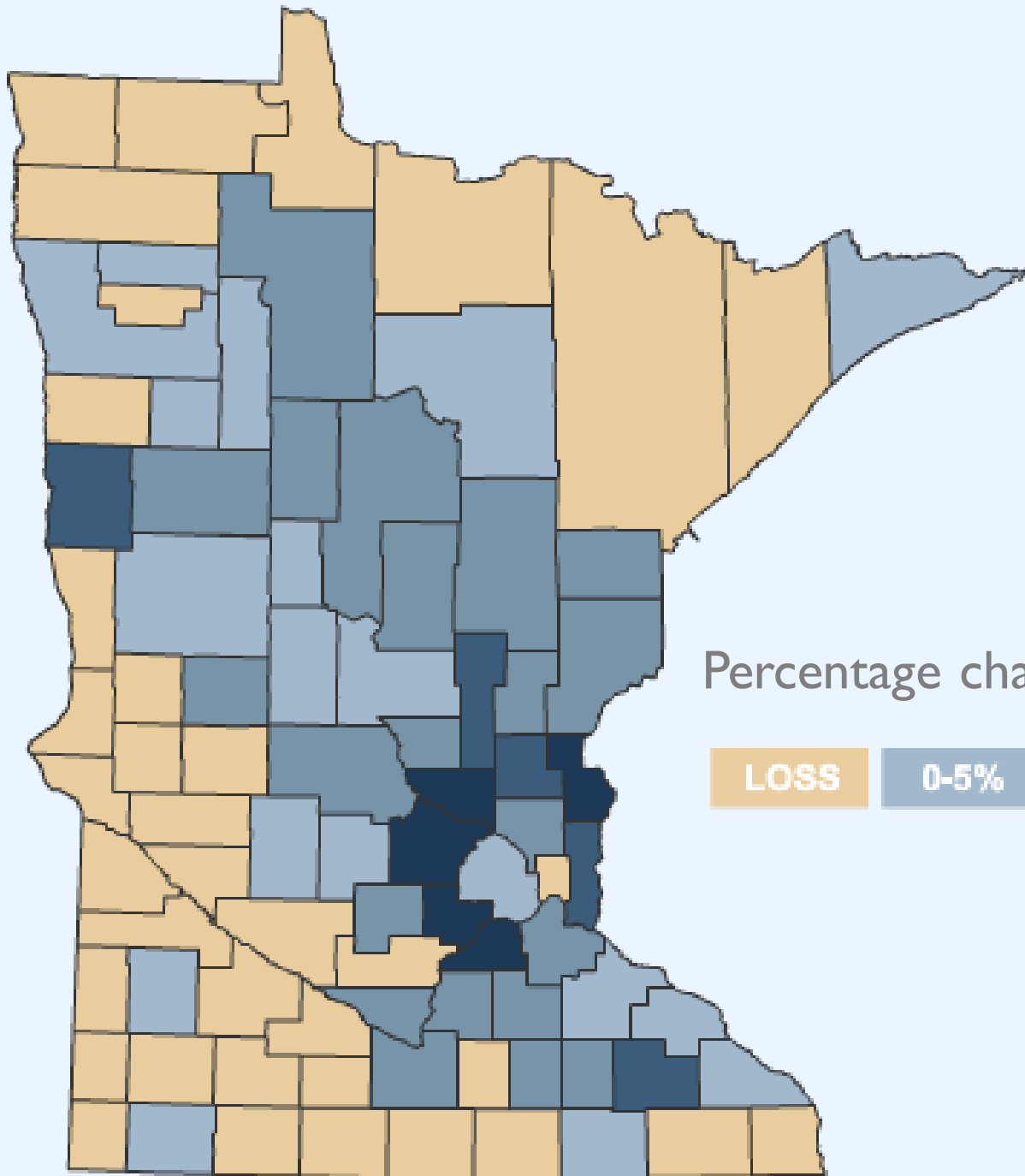
What is the role of the MN State Demographic Center?

- Serve as a liaison to the Census Bureau and assist with the decennial census counts (every 10 years)
- Create population estimates and projections
- Analyze, interpret and distribute data from state, U.S. Census Bureau and other sources
- Offer data and technical assistance to legislators, all levels of government, organizations and citizens across the state
- Monitor trends and help MN to make data-informed decisions



Trend #1
Post-
recession
growth looks
new and
different





Percentage change 2000-2010

LOSS

0-5%

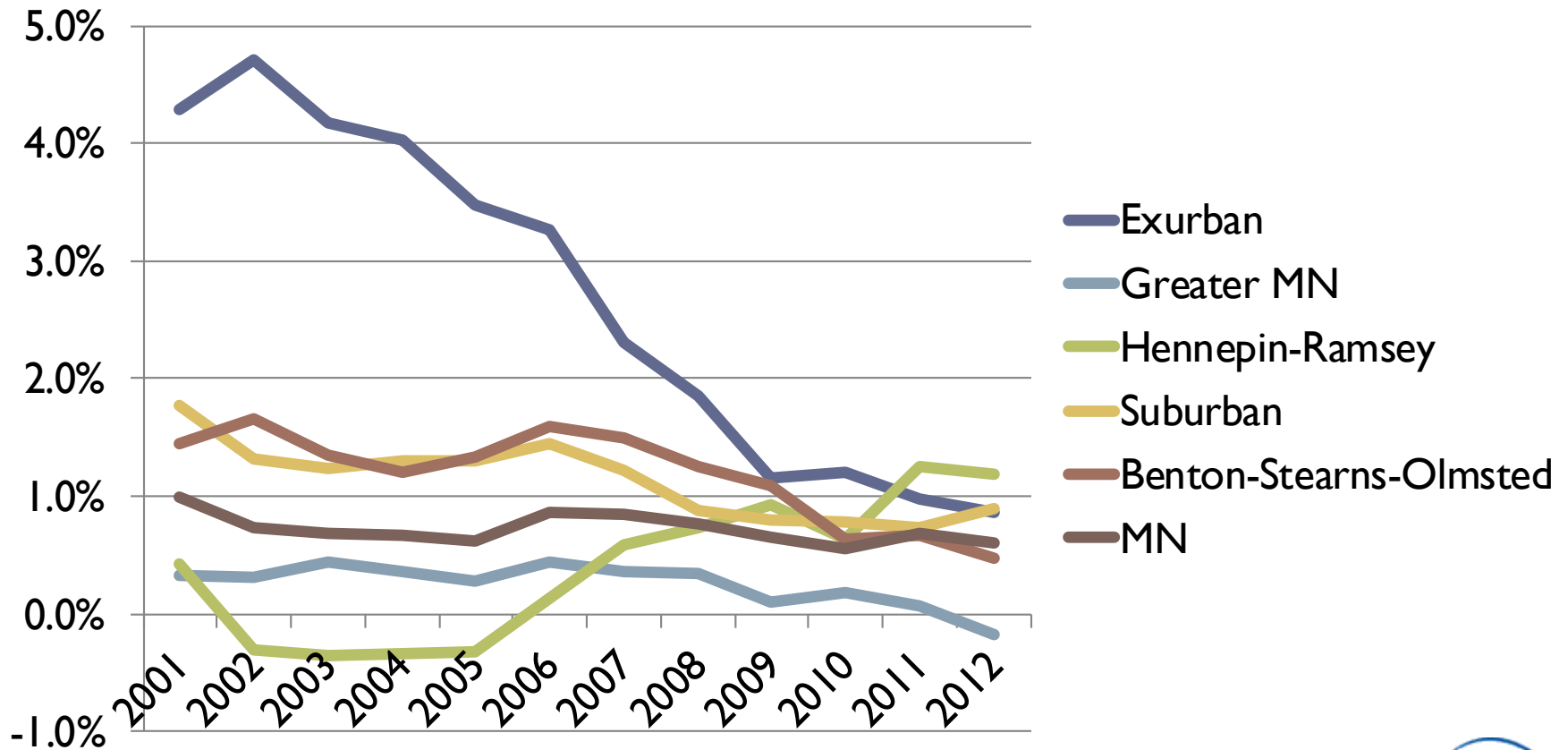
5-15%

15-25%

25% +



Population growth rates have converged over the last decade

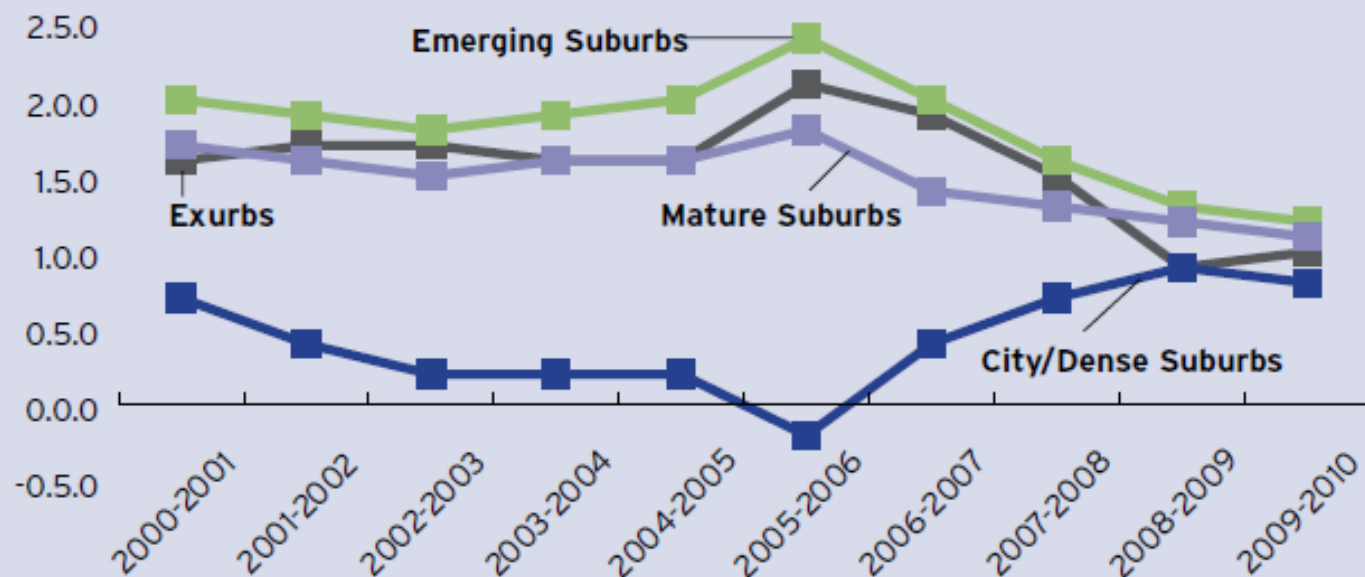


Source: U.S. Census Bureau



Growth rates are converging nationally too

Figure 5. Annual Growth Rate by County Urbanization, Large Metro Areas, 2000-2010





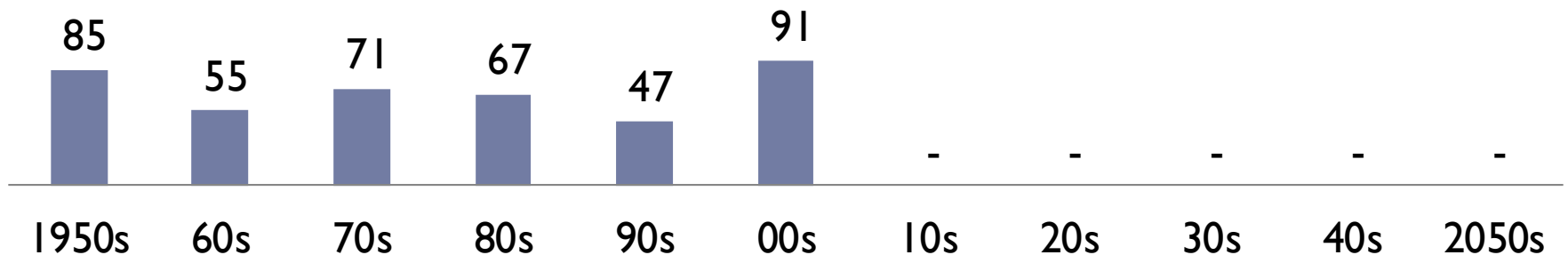
Trend #2:
Population aging
is beginning to
affect MN and
the nation

Aging



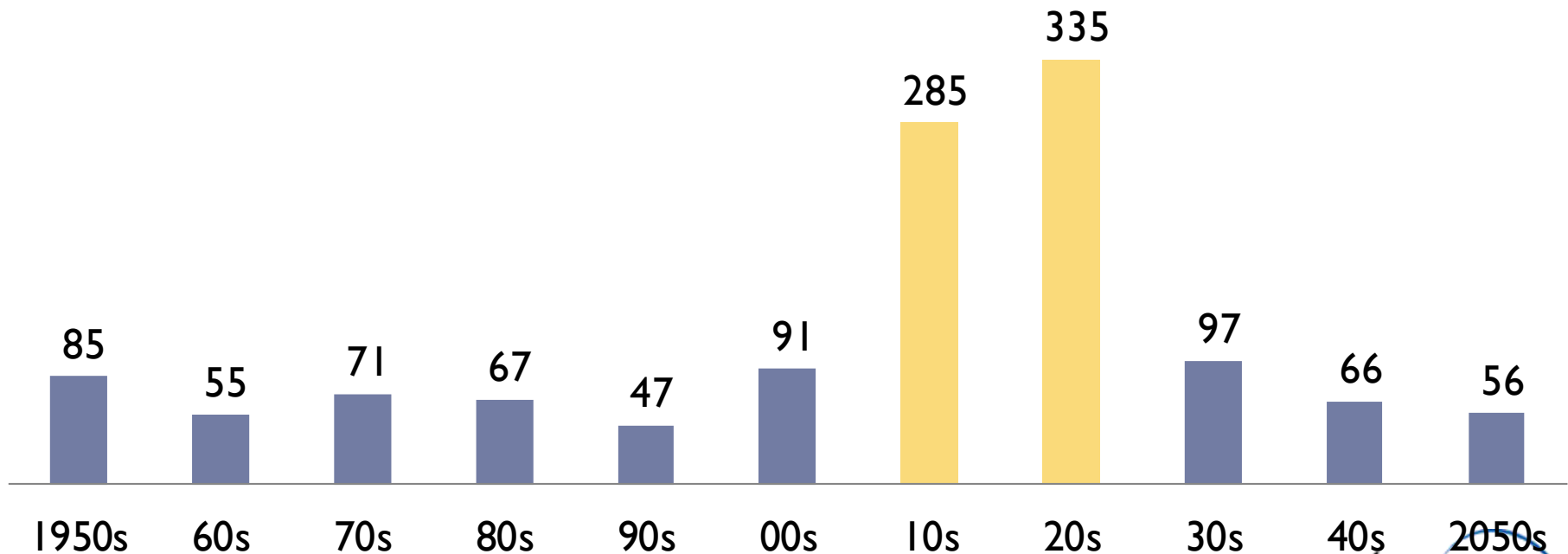
+ Number of older adults will increase substantially over the next 20 years

Change in older adults, age 65+ (Thousands)



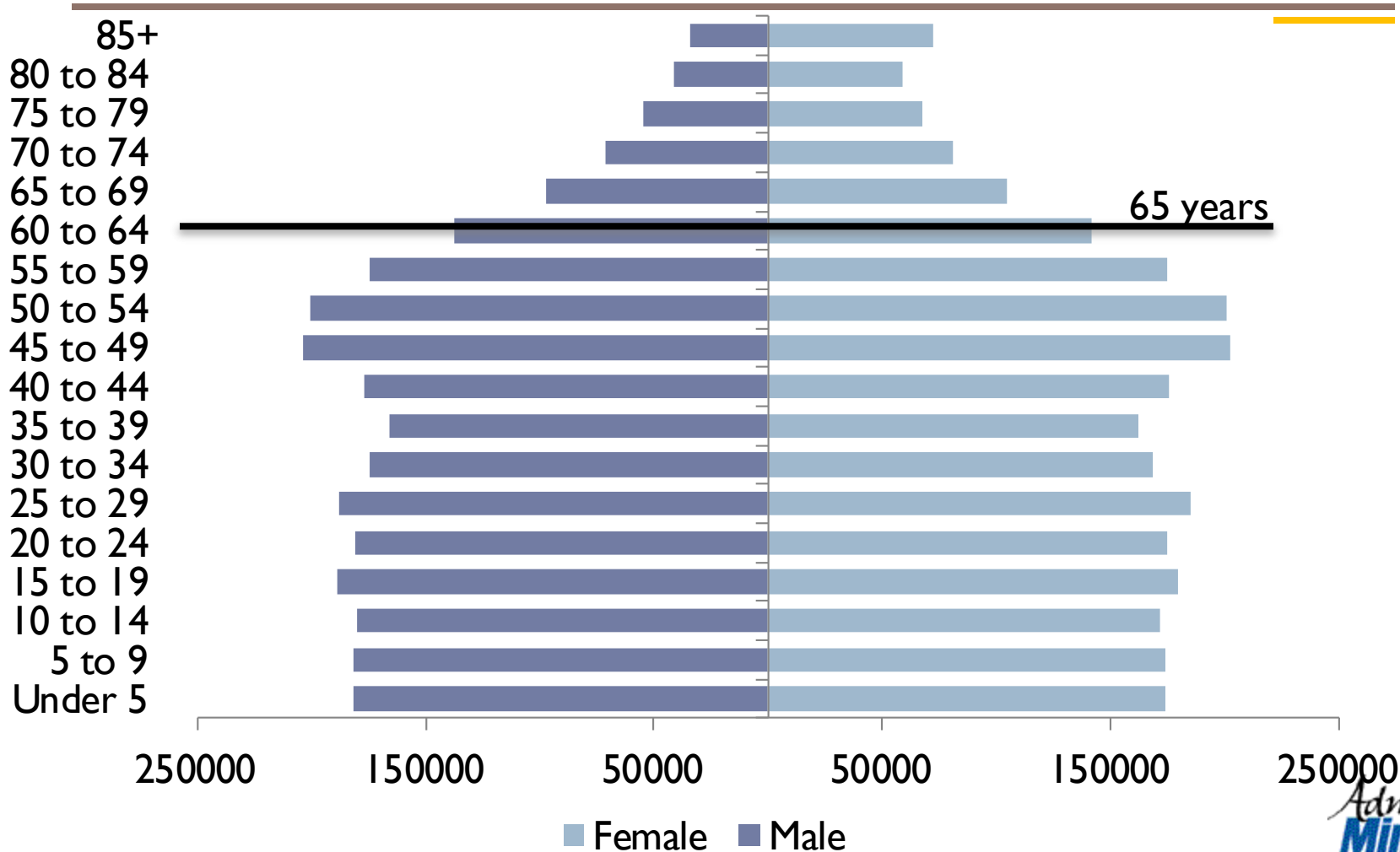
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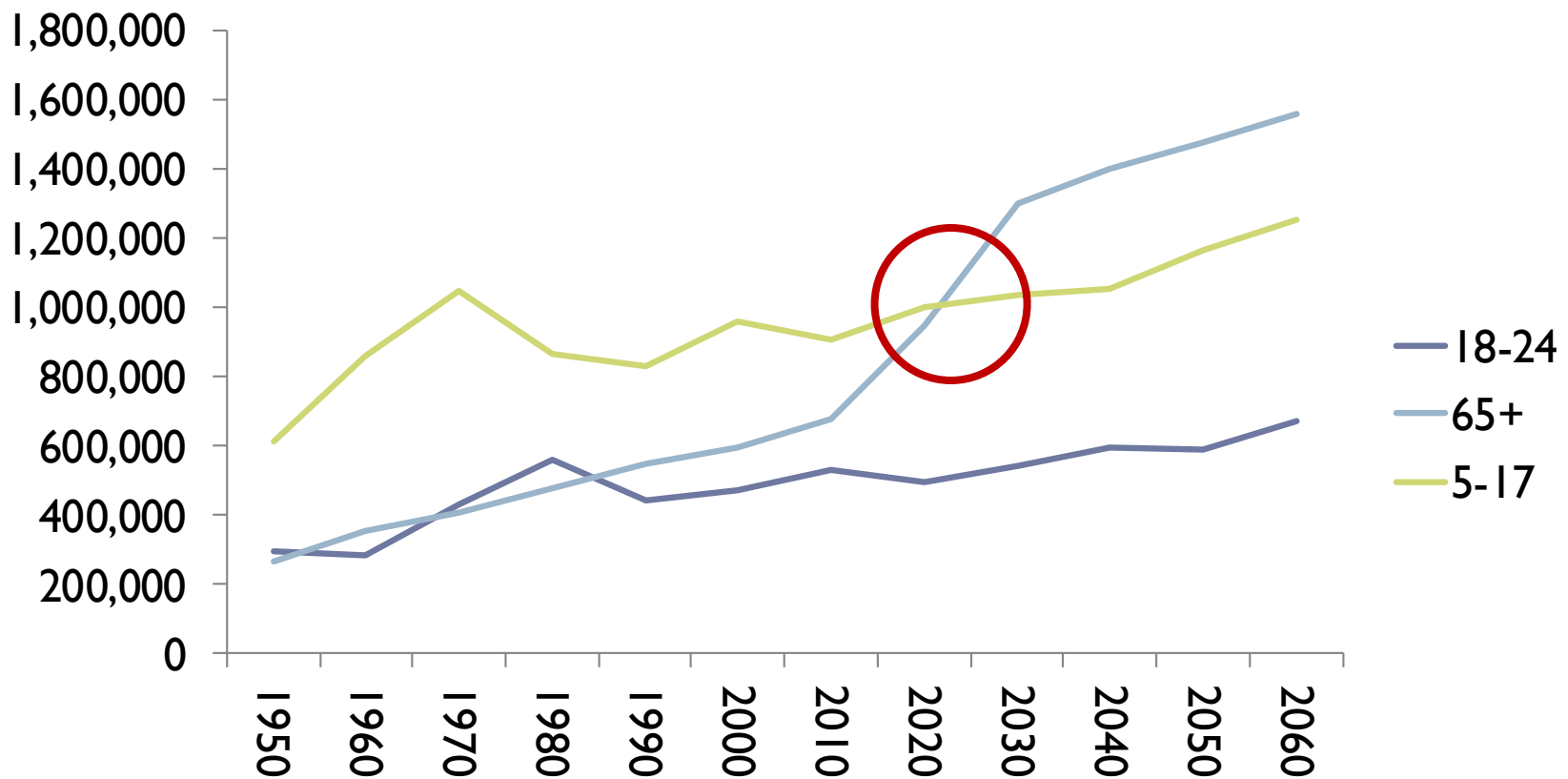
+ Why are changes so marked now?

Population by age and sex Minnesota, 2010



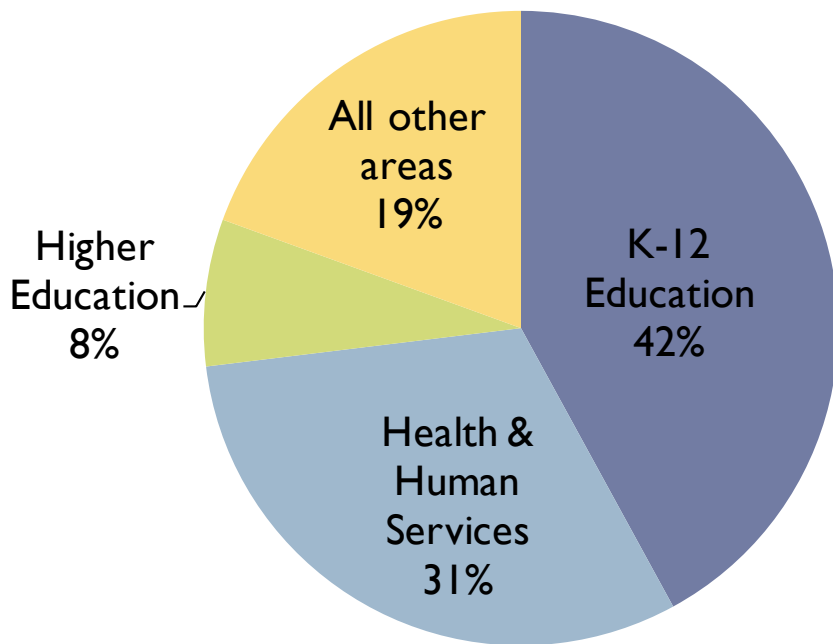


For the first time in MN history: More 65+ than school-age by 2020



+ Increasingly our demographics will change the demand for services

General Fund Expenditures FY 2012-2013



Within Health & Human Services

- Medical Assistance Expenditures: 25% of GF spending (8.5 billion)
- Medical Assistance Expenditures for the Elderly and Disabled: 16% of GF spending (5.5 billion)
- MA expenditures include basic care, long-term care waivers and long-term institutional care

From 2008: If State Health Care Costs Continue Their Current Trend, State Spending On Other Services Can't Grow

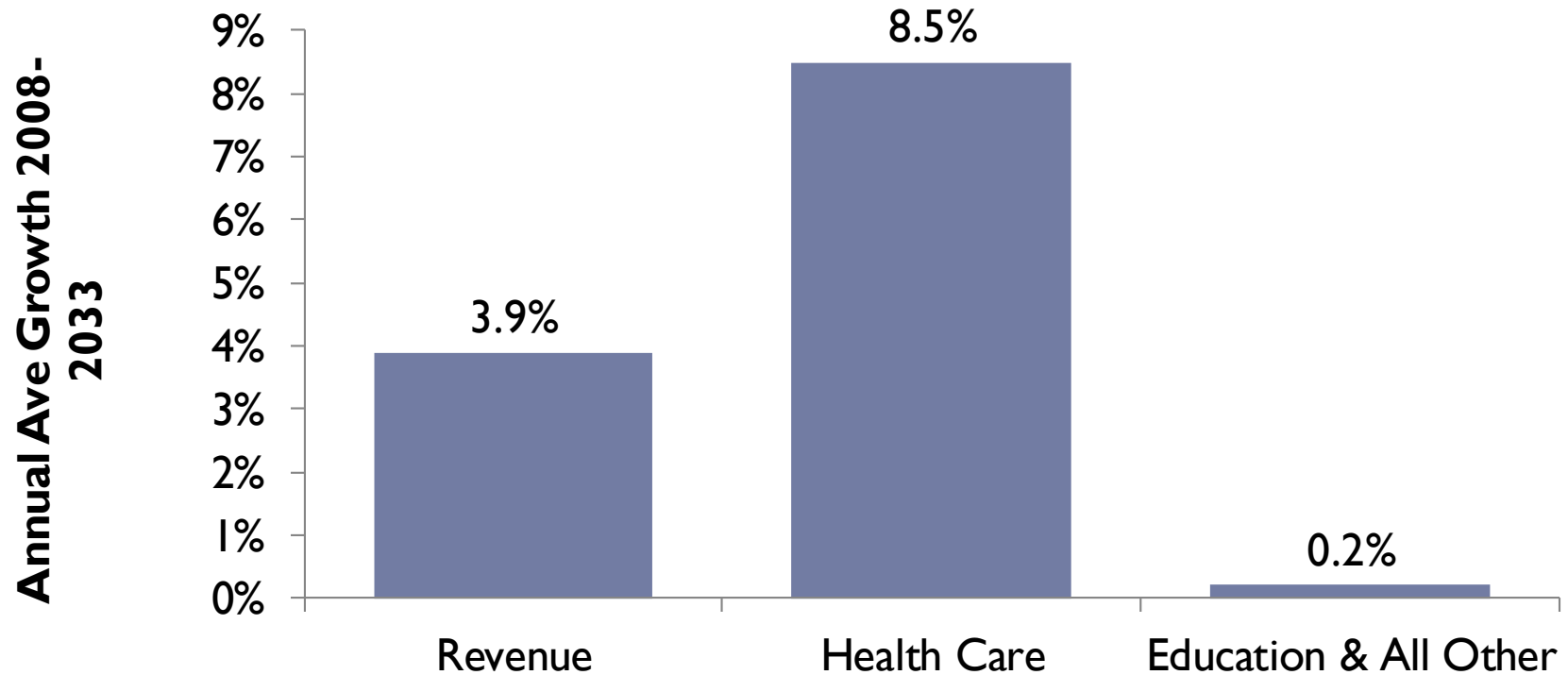
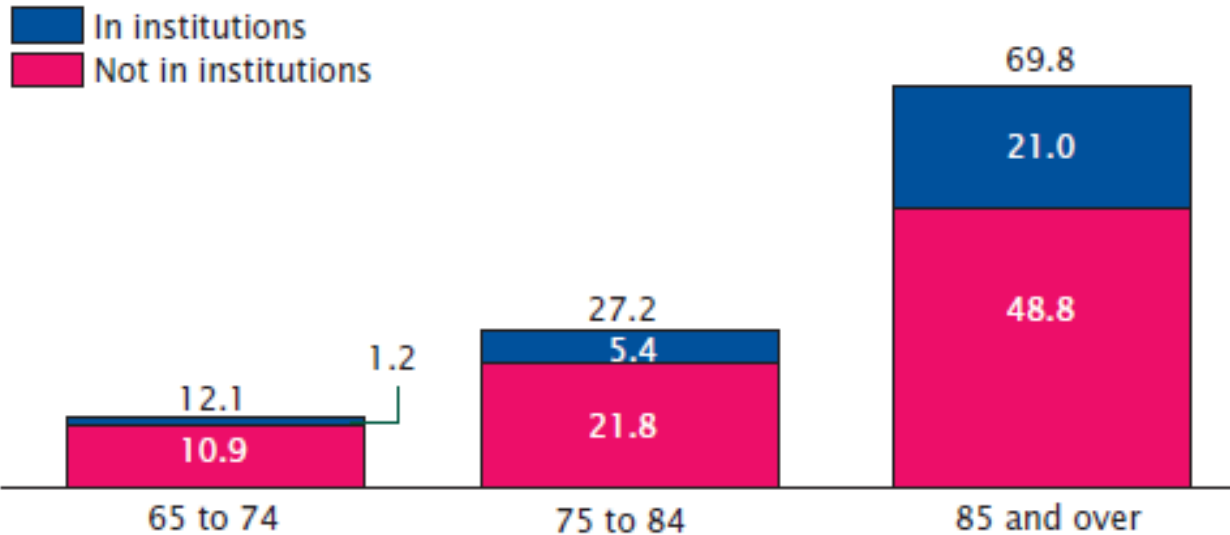


Figure 3-23.

Percent of People Aged 65 and Over With Long-Term Care Needs by Age and Place of Residence: 1995¹

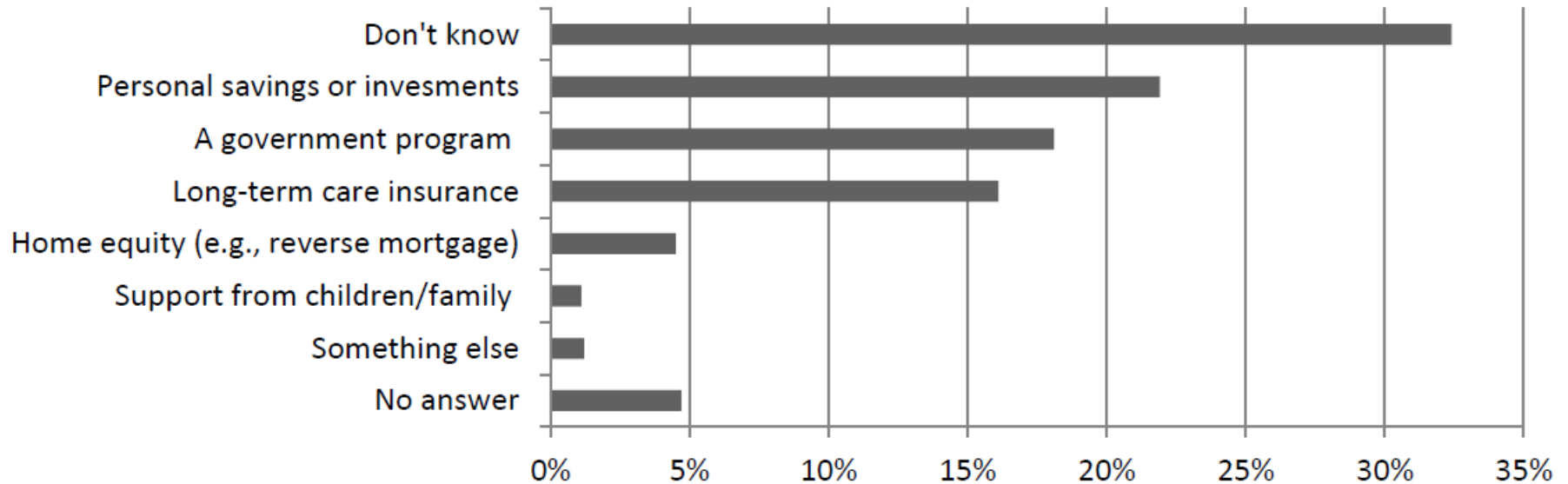


¹ Needing assistance with activities of daily living (ADLs) or instrumental activities of daily living (IADLs).

Note: The reference population is derived from a combination of sources. The reference population for these data is the civilian noninstitutionalized population and institutionalized population from the National Medical Expenditure Survey, civilian institutionalized population from the Current Population Survey, and Medicare enrollees aged 65 and older from the National Long Term Care Survey.

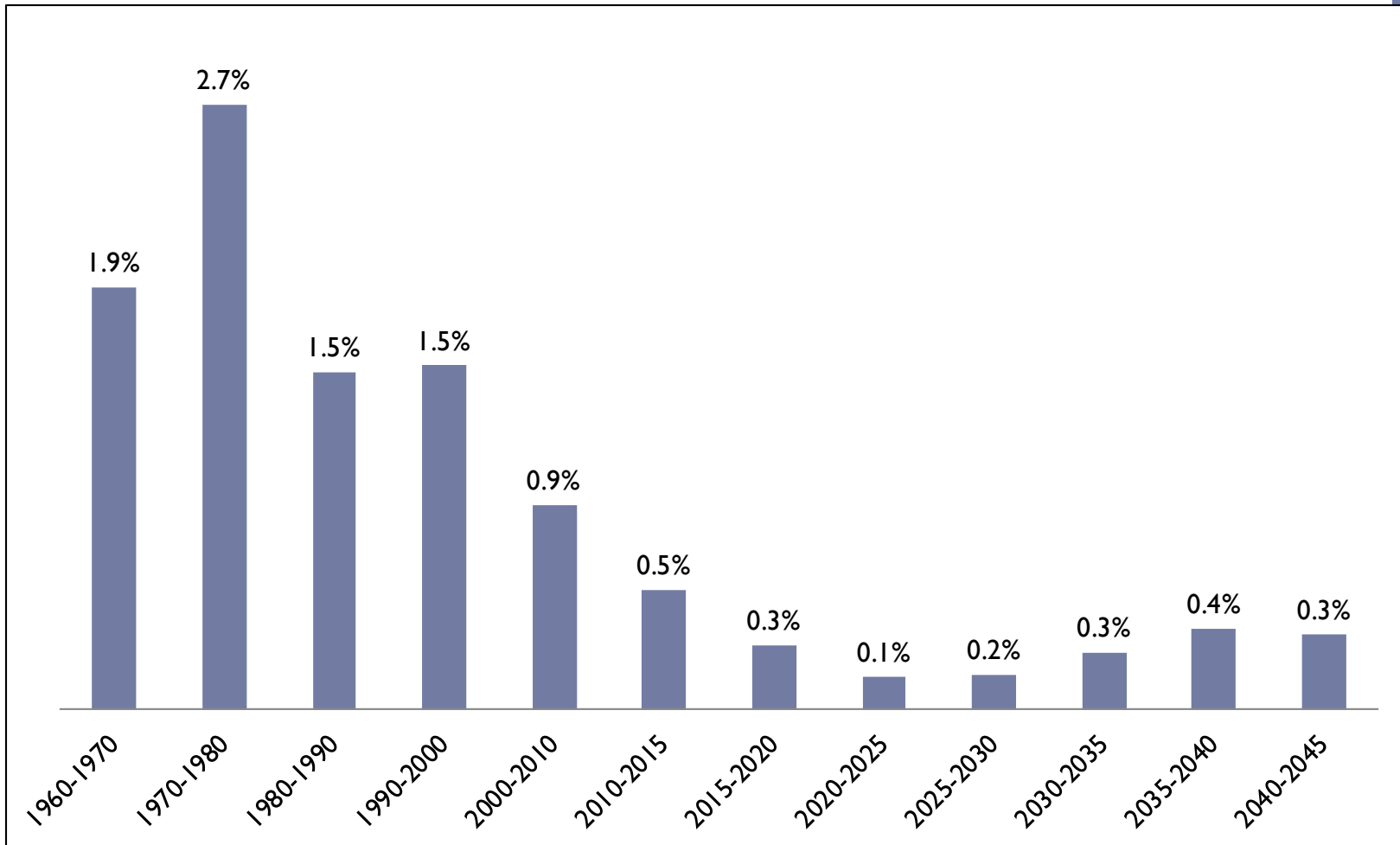
Source: Stone, 2000. For full citation, see references at end of chapter.

+ Plans to Cover the Cost of Long Term Care Baby boomers in MN, 2010



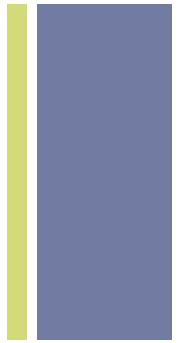


Labor force growth is projected to slow

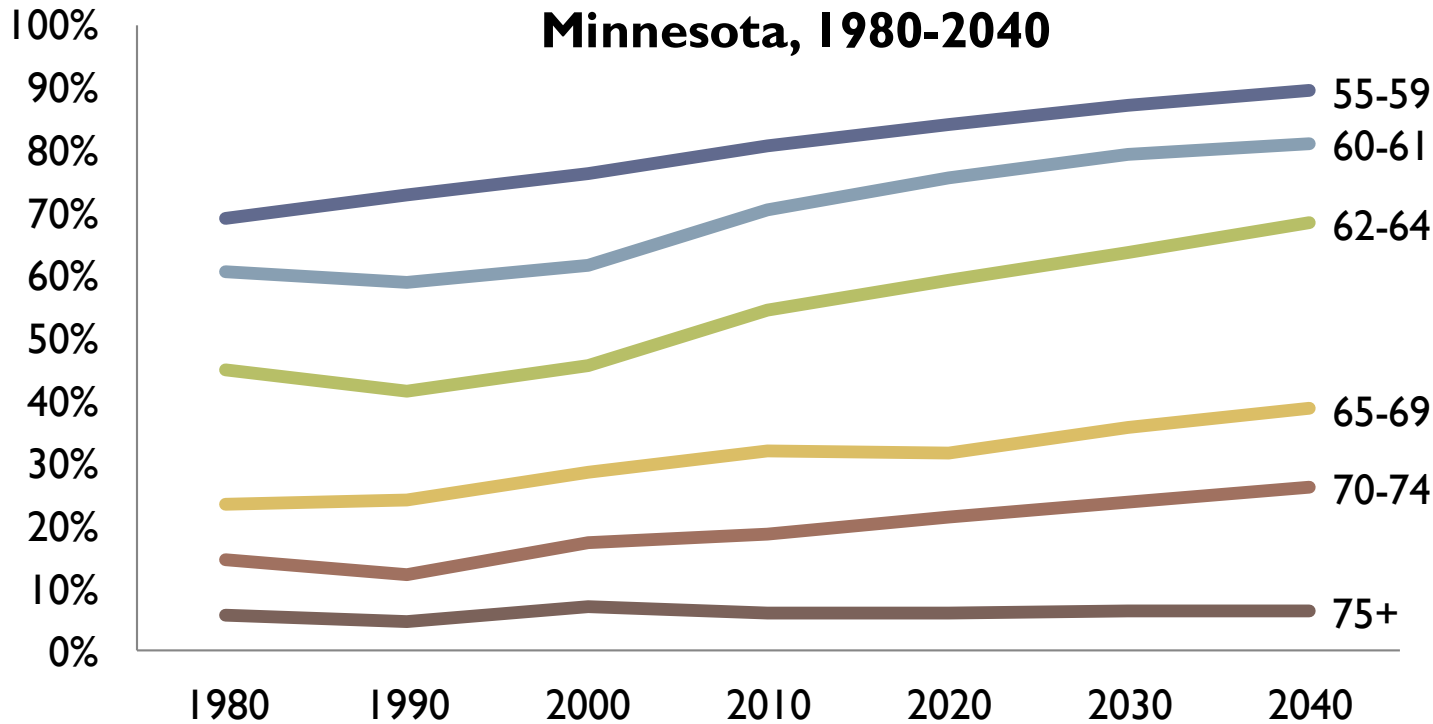




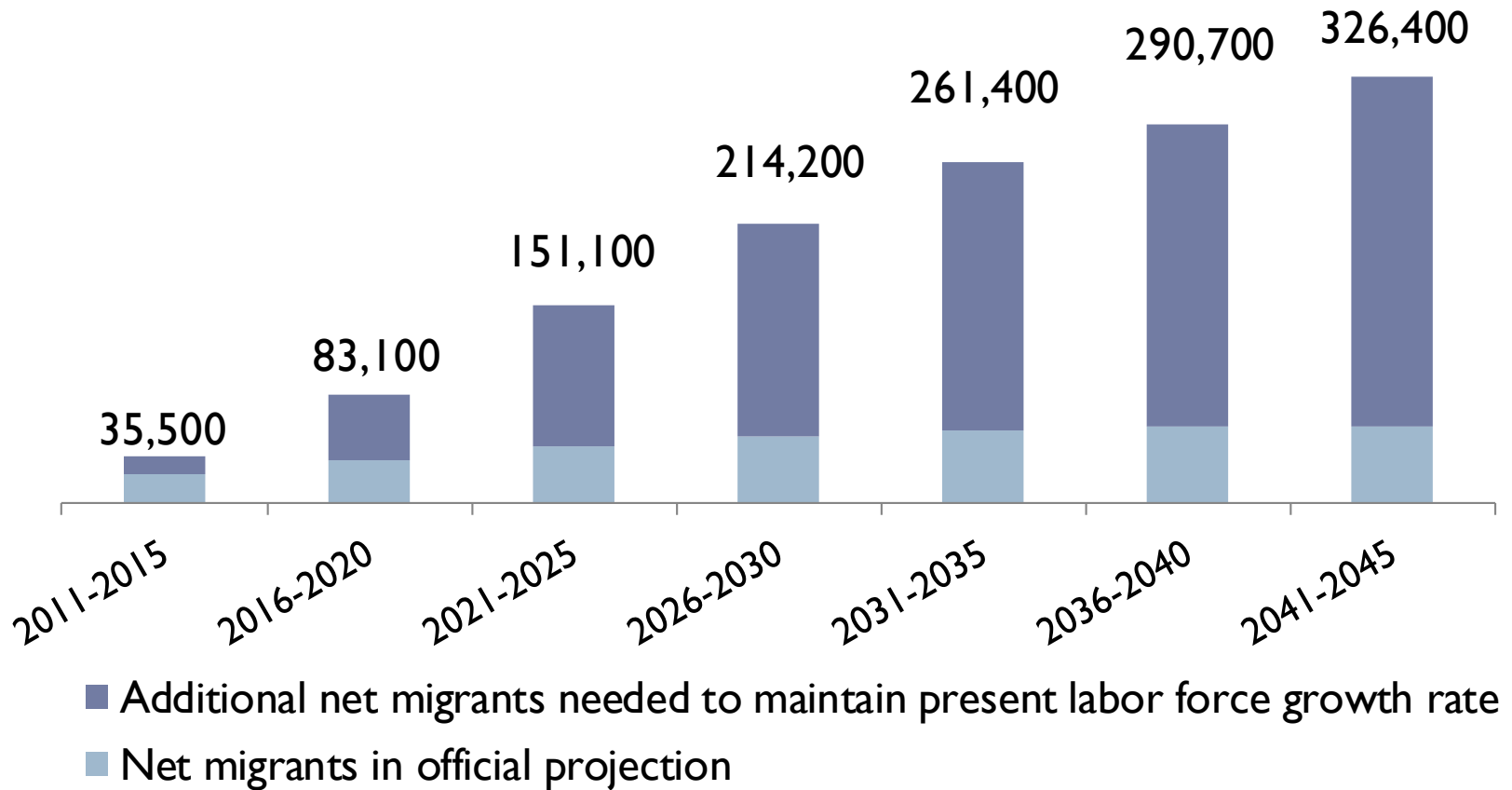
Increased labor force participation won't be enough to counter aging trend



**Projected labor force participation
rates of older adults
Minnesota, 1980-2040**

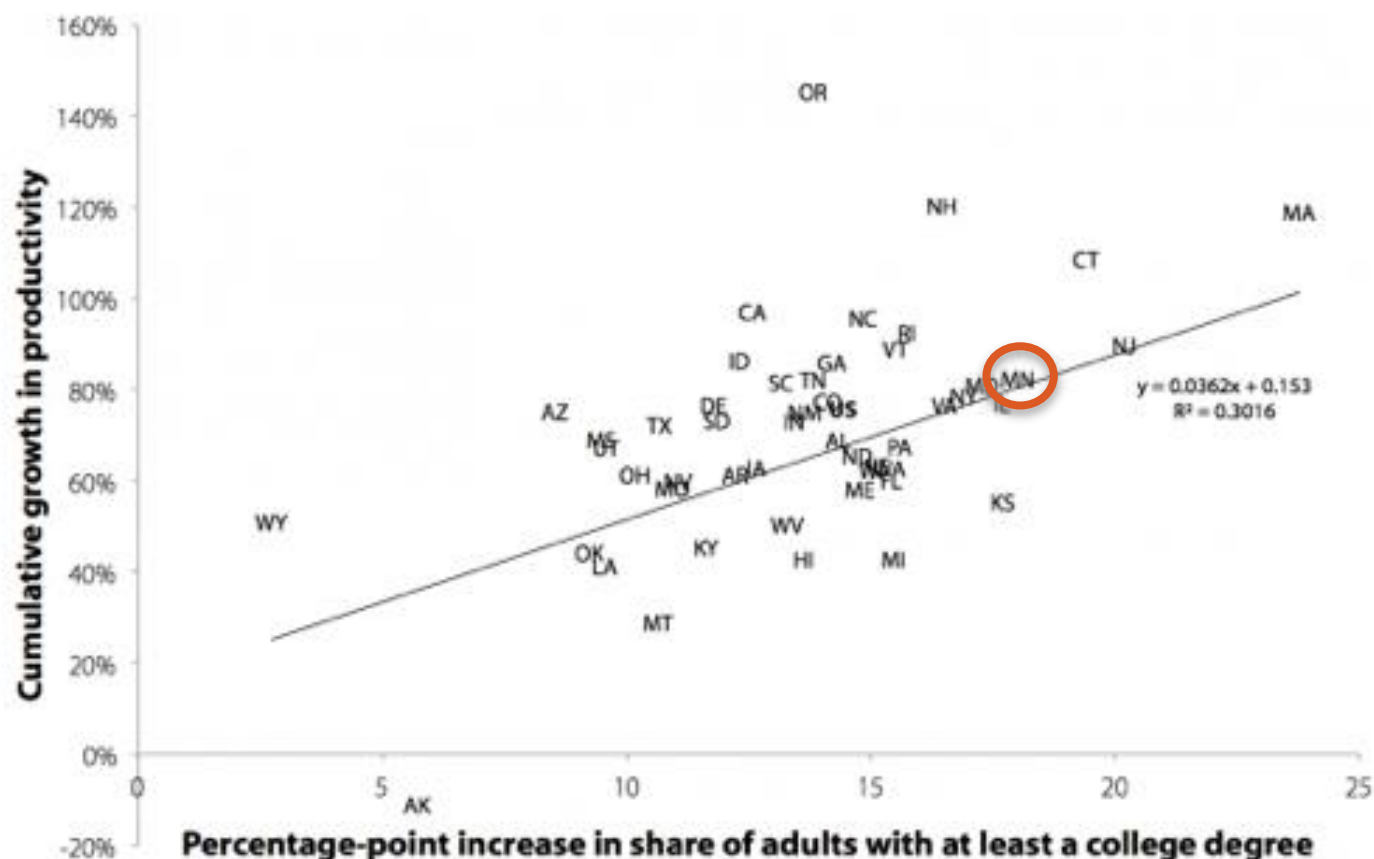


+ Immigrants to Minnesota needed to keep 0.5% labor force growth rate



Productivity has grown more in states with greater growth in the educational attainment of their workforce

Relationship between state productivity growth and increase in college attainment from 1979 to 2012



Source: EPI analysis of unpublished total economy productivity data from the Bureau of Labor Statistics (BLS) Labor Productivity and Costs program, state employment data from BLS Local Area Unemployment Statistics, and college attainment data from the Current Population Survey basic monthly microdata



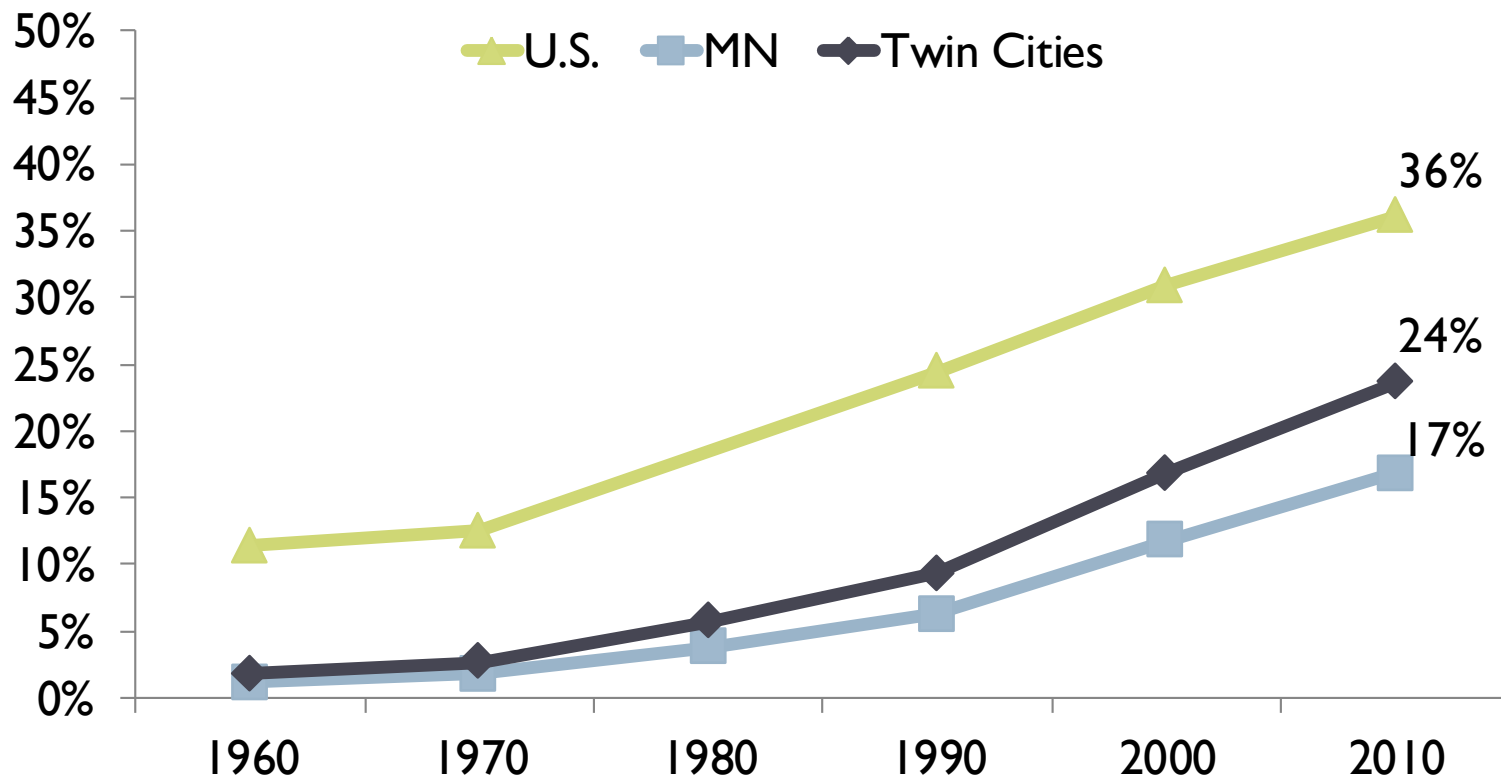
Trend #3: Minnesota and the Twin Cities are becoming more diverse



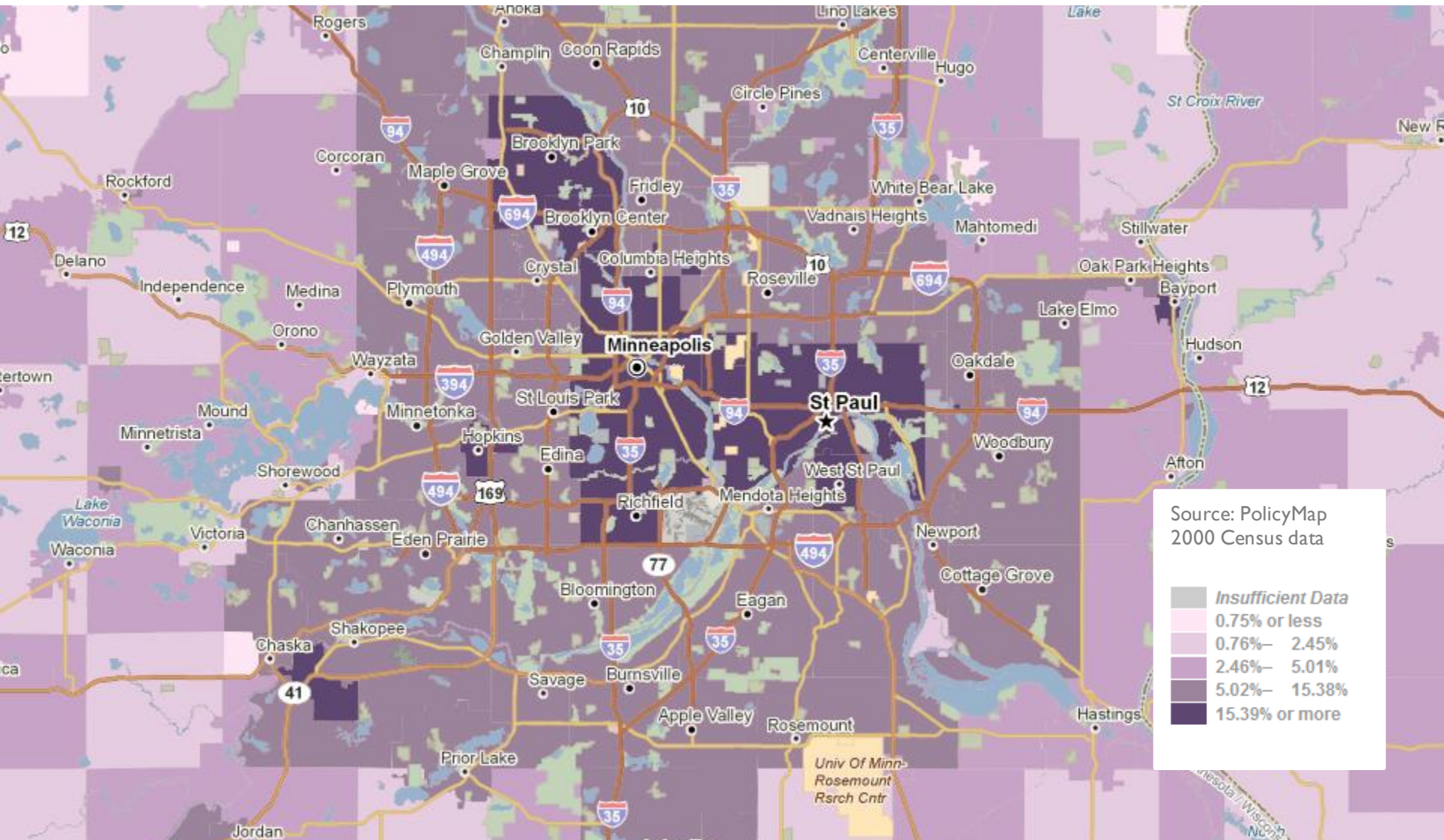


50 years of growing diversity in our region, state, nation

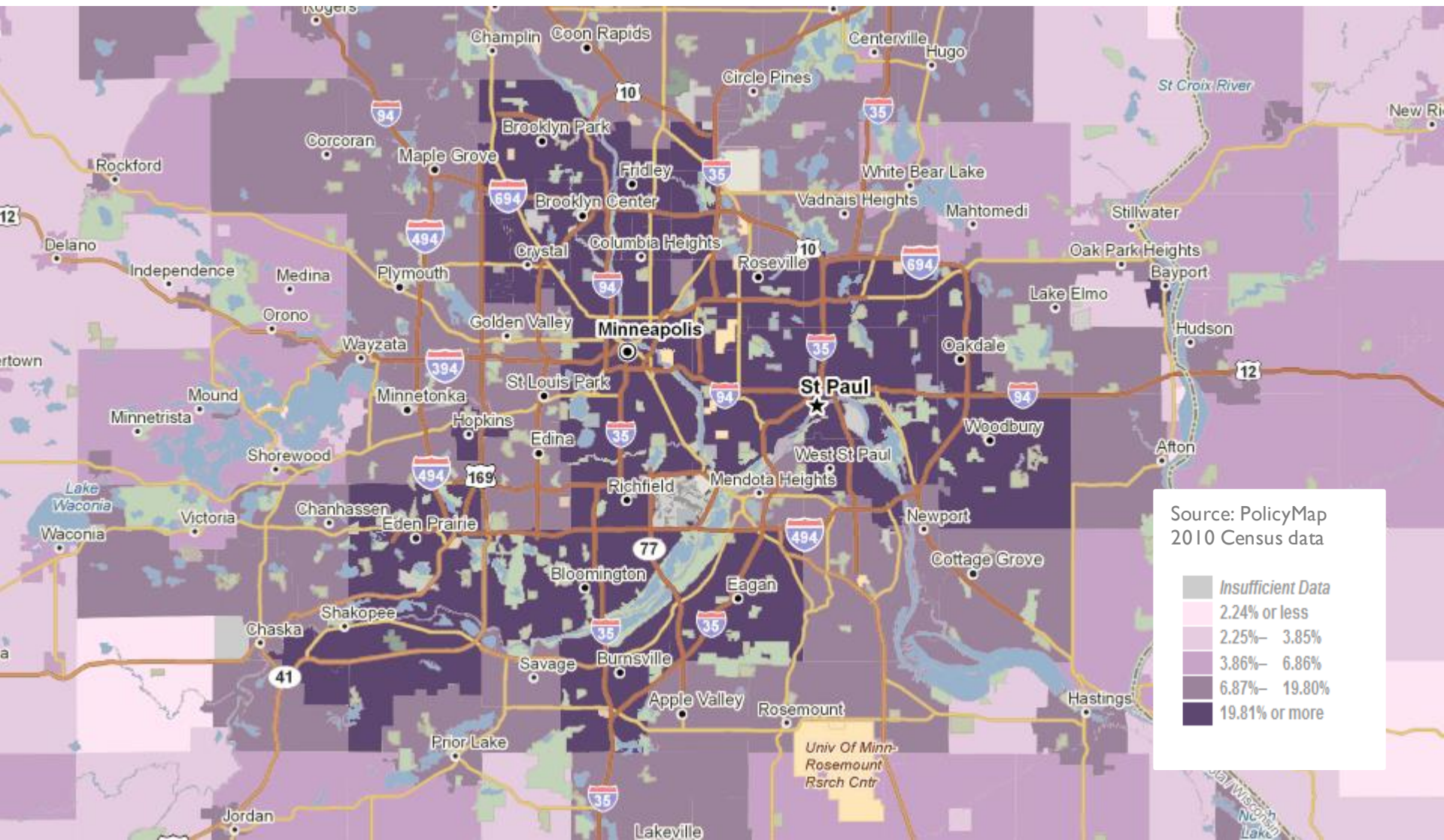
Percent Of Color, 1960-2010



2000: Few cities had populations of color > 15%



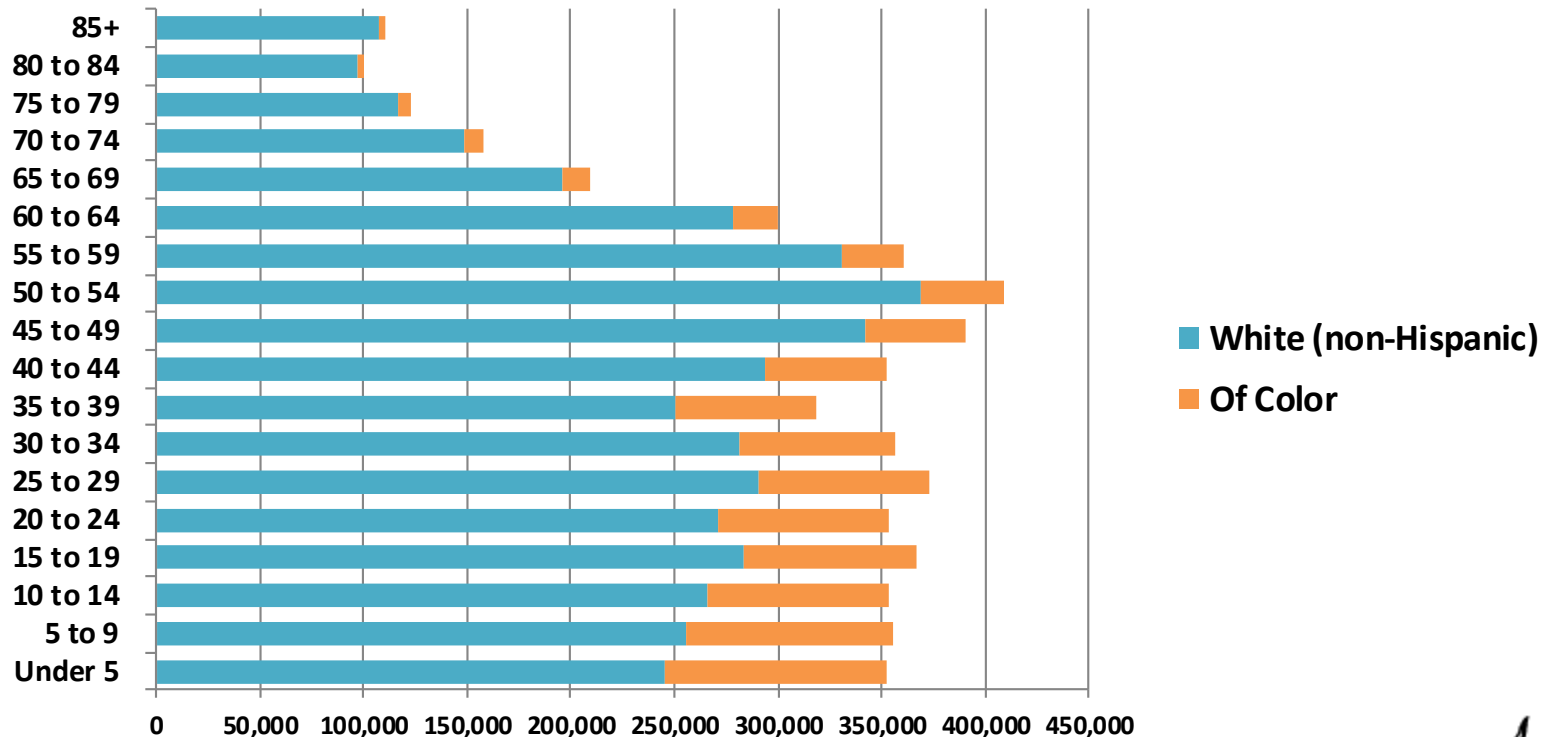
2010: Many cities had populations of color > 20%





A portrait of Minnesota, 2011

White (non-Hispanic) and Of Color Population Minnesota, 2011

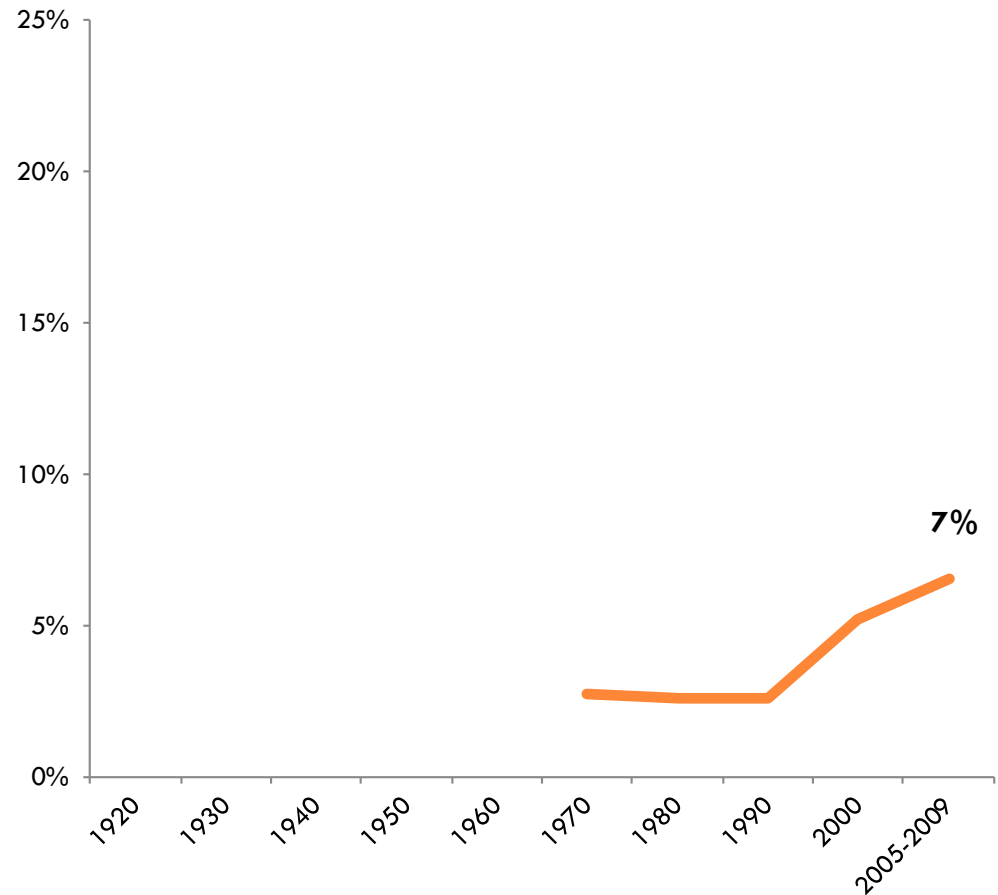


Source: 2011 Population Estimates, U.S. Census Bureau.



International immigration has been increasing in recent decades...

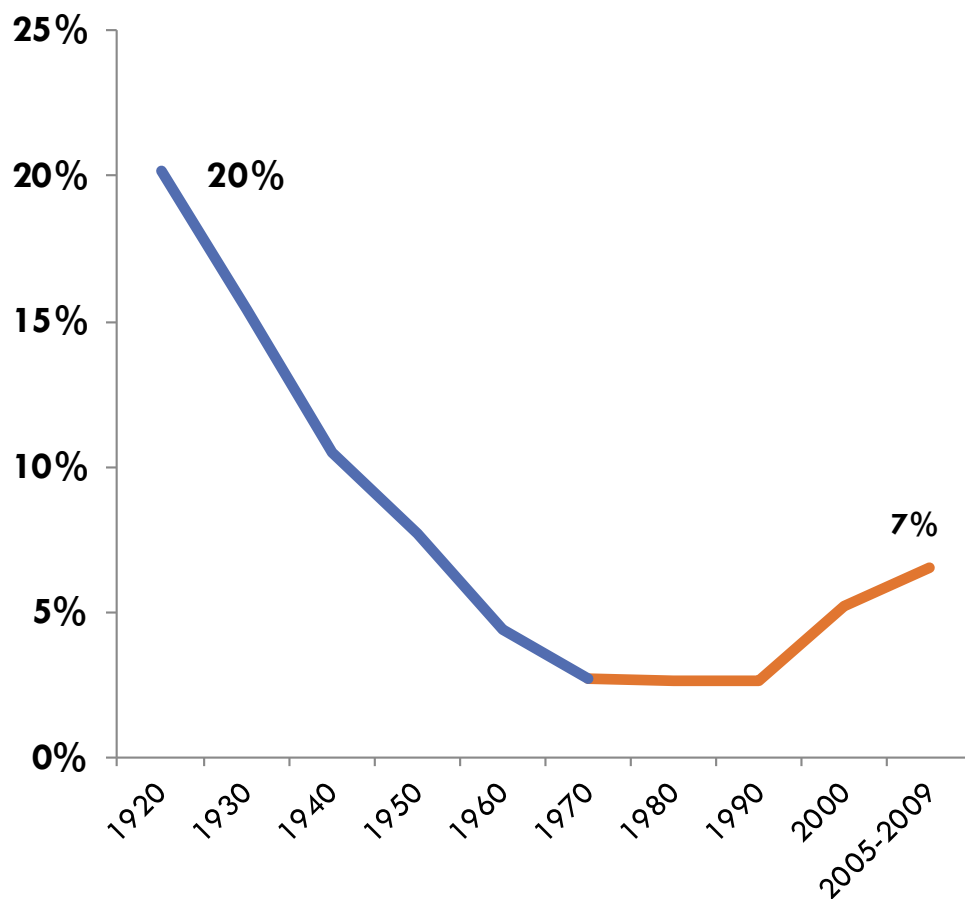
Percent Foreign Born
Minnesota 1970-2009





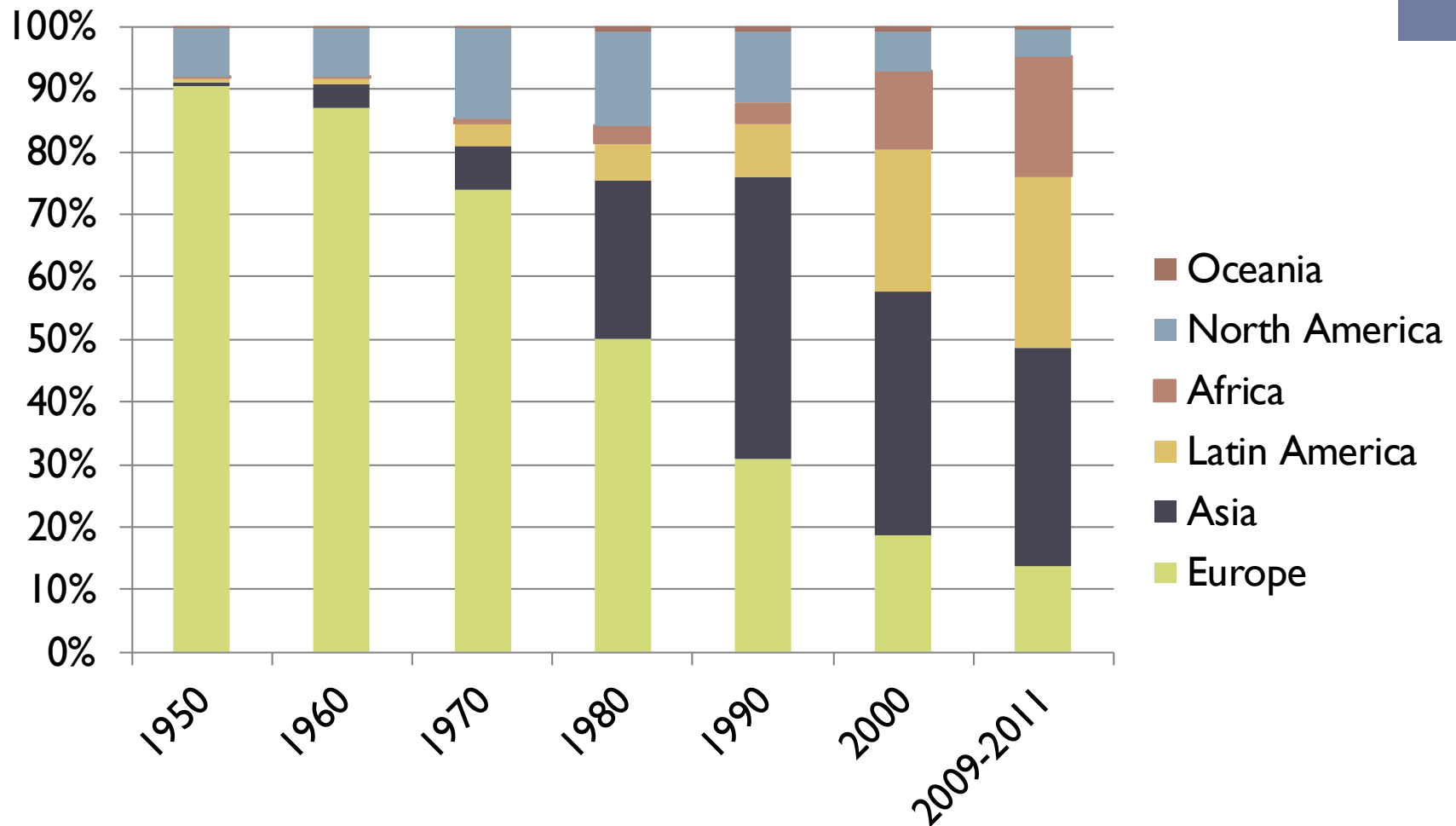
...but immigration is not a new phenomenon in MN

Percent Foreign Born
Minnesota 1970-2009





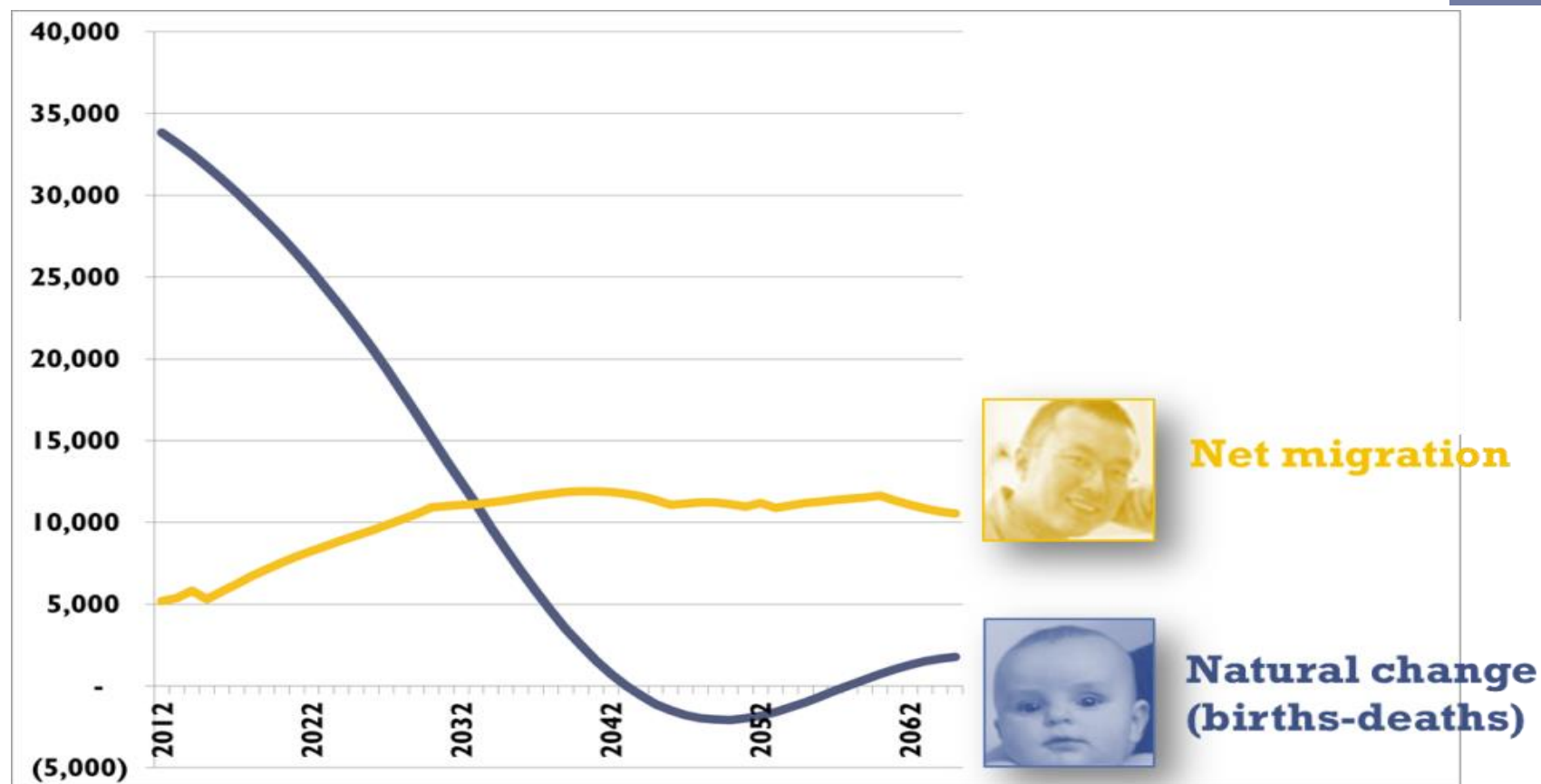
Our foreign-born population is becoming increasingly diverse



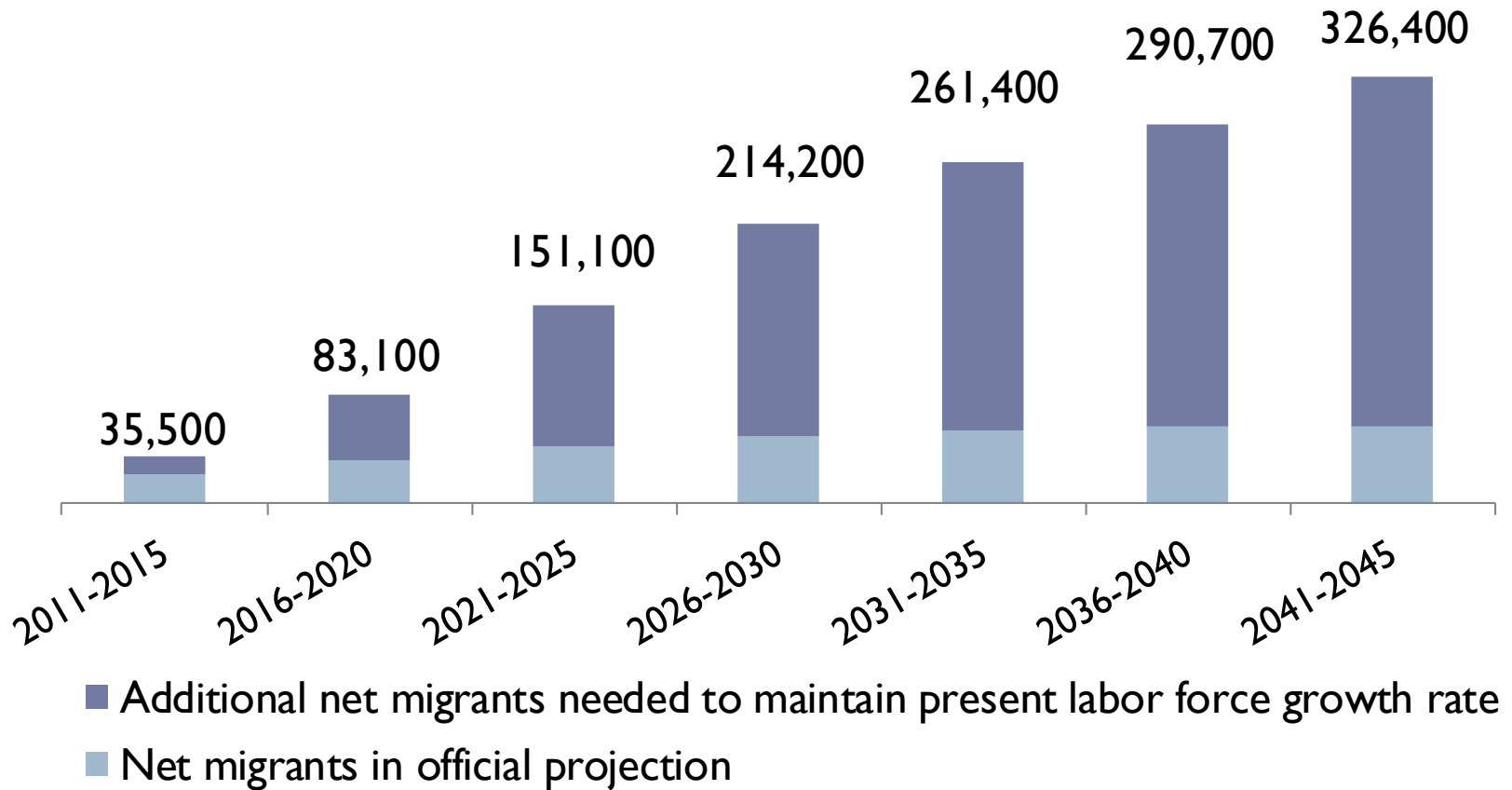
Source: Tabulated by the Minnesota State Demographic Center from the Integrated Public Use Microdata Series



Minnesota's projected net migration and natural change, 2012-2065



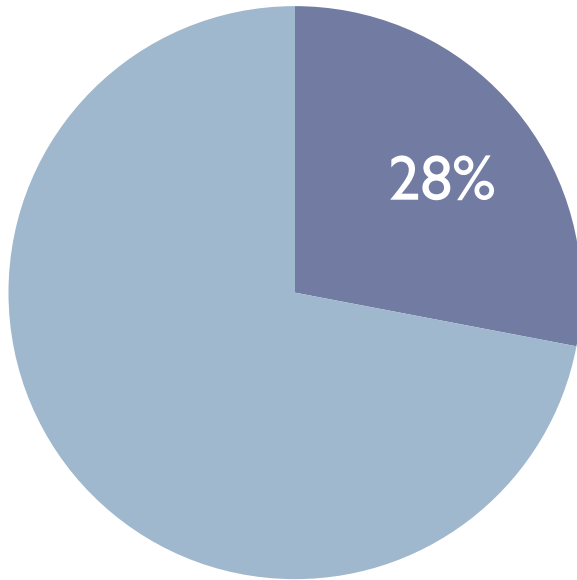
+ Immigrants to Minnesota needed to keep 0.5% labor force growth rate



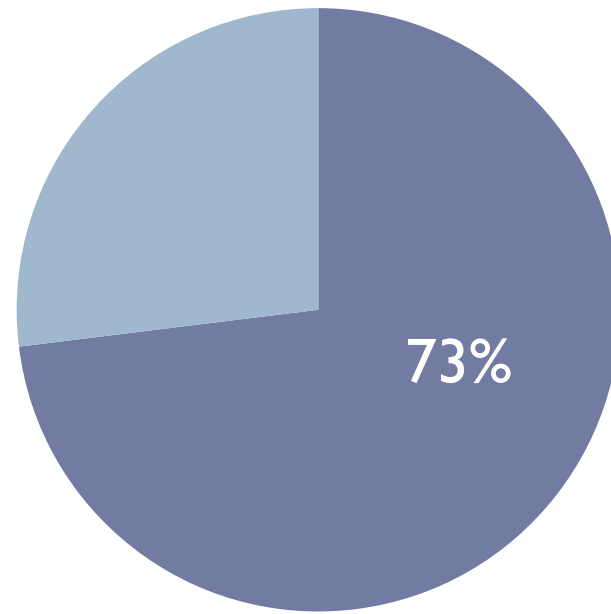


High school graduation is no longer enough to get an economic foothold

1973



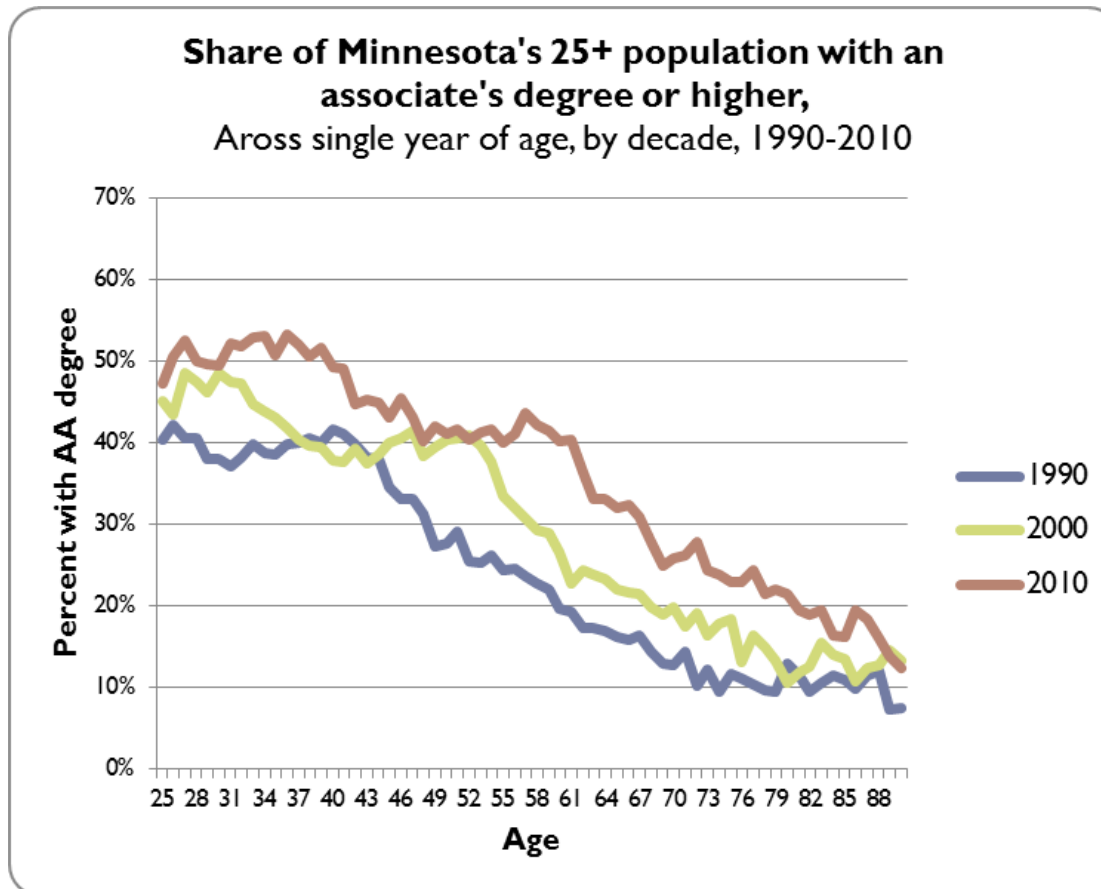
2010-2020



Percent of jobs requiring some post-secondary education

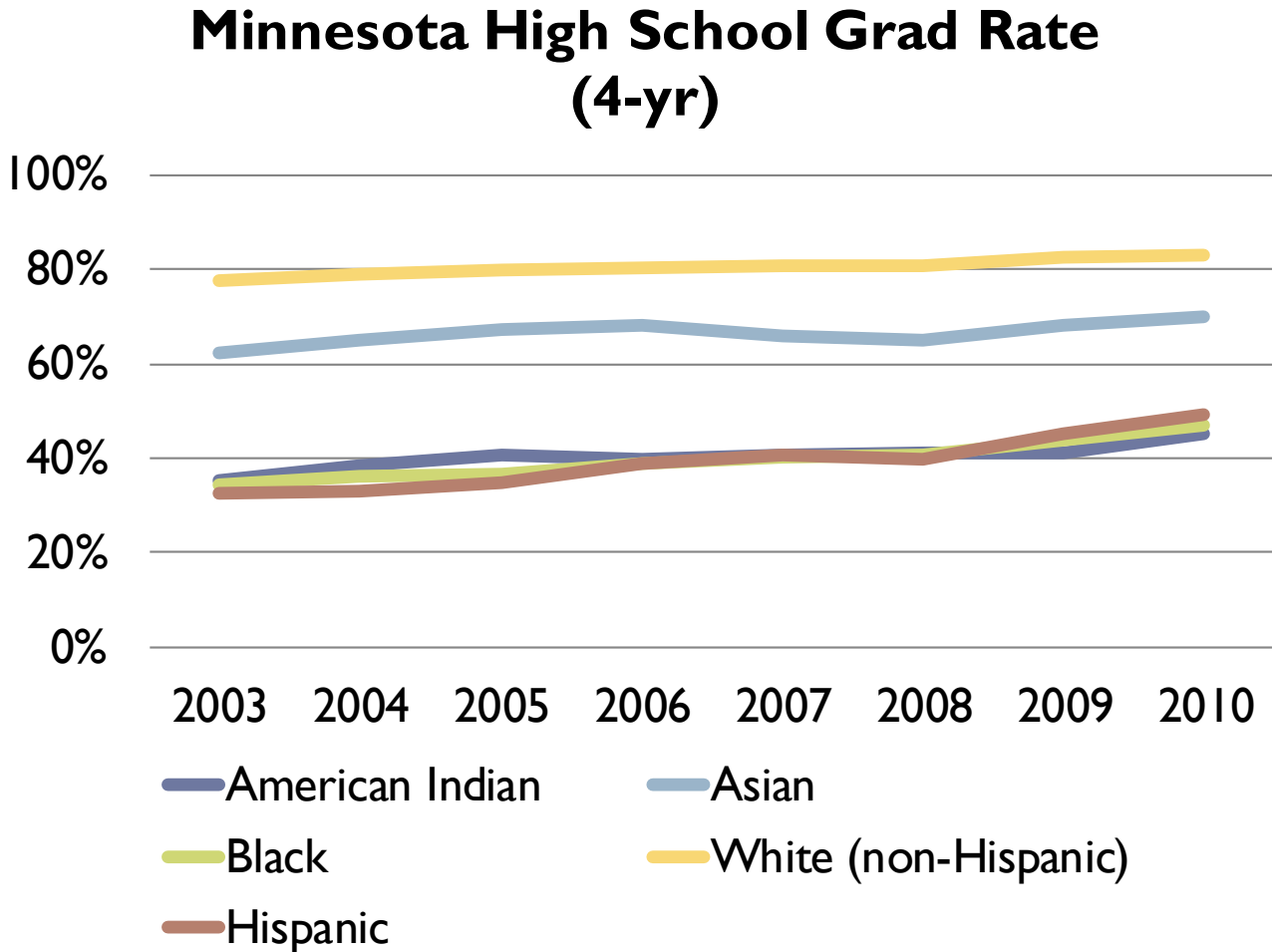


Educational attainment is increasing over time



Source: Tabulated by the Minnesota State Demographic Center from the Integrated Public Use Microdata Series

+ Racial gaps in attainment are large and persistent





The education
of *all* of our
residents is
more important
than it has ever
been

The Time For Talent

Why the development, recruitment, and retention
of talent is key to a prosperous future for Minnesota



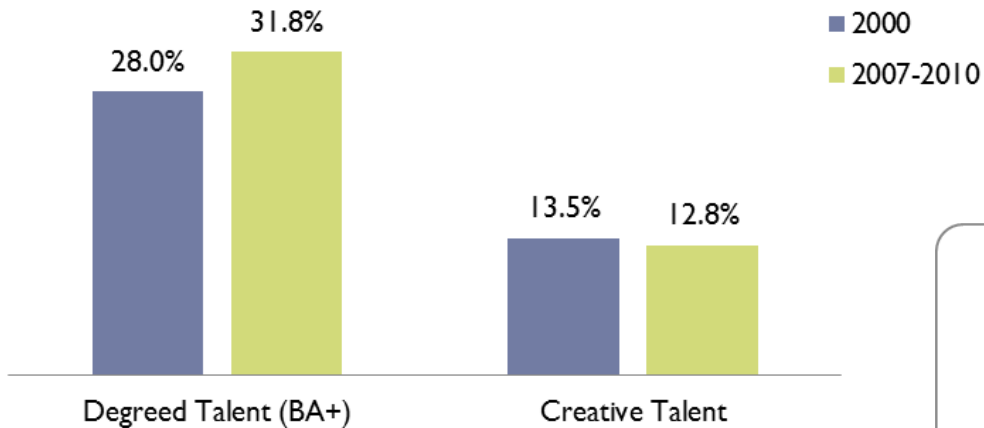
MN STATE DEMOGRAPHIC CENTER
MARCH 2013



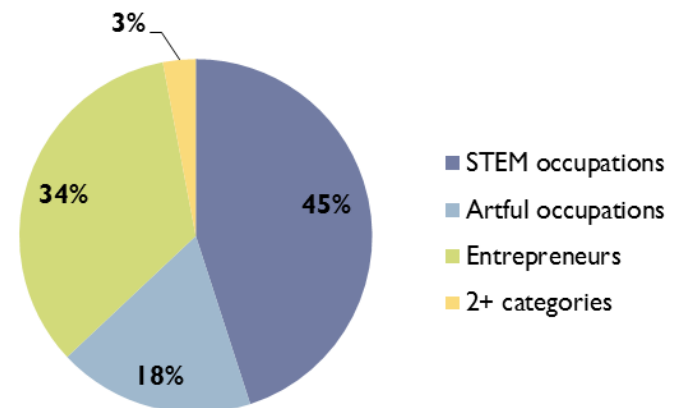
+ Minnesota has a high concentration of talent workers



Two types of talent as a percent of the labor force
Minnesota, 2000-2010



"Creative Talent" by type
Minnesota, 2007-2010





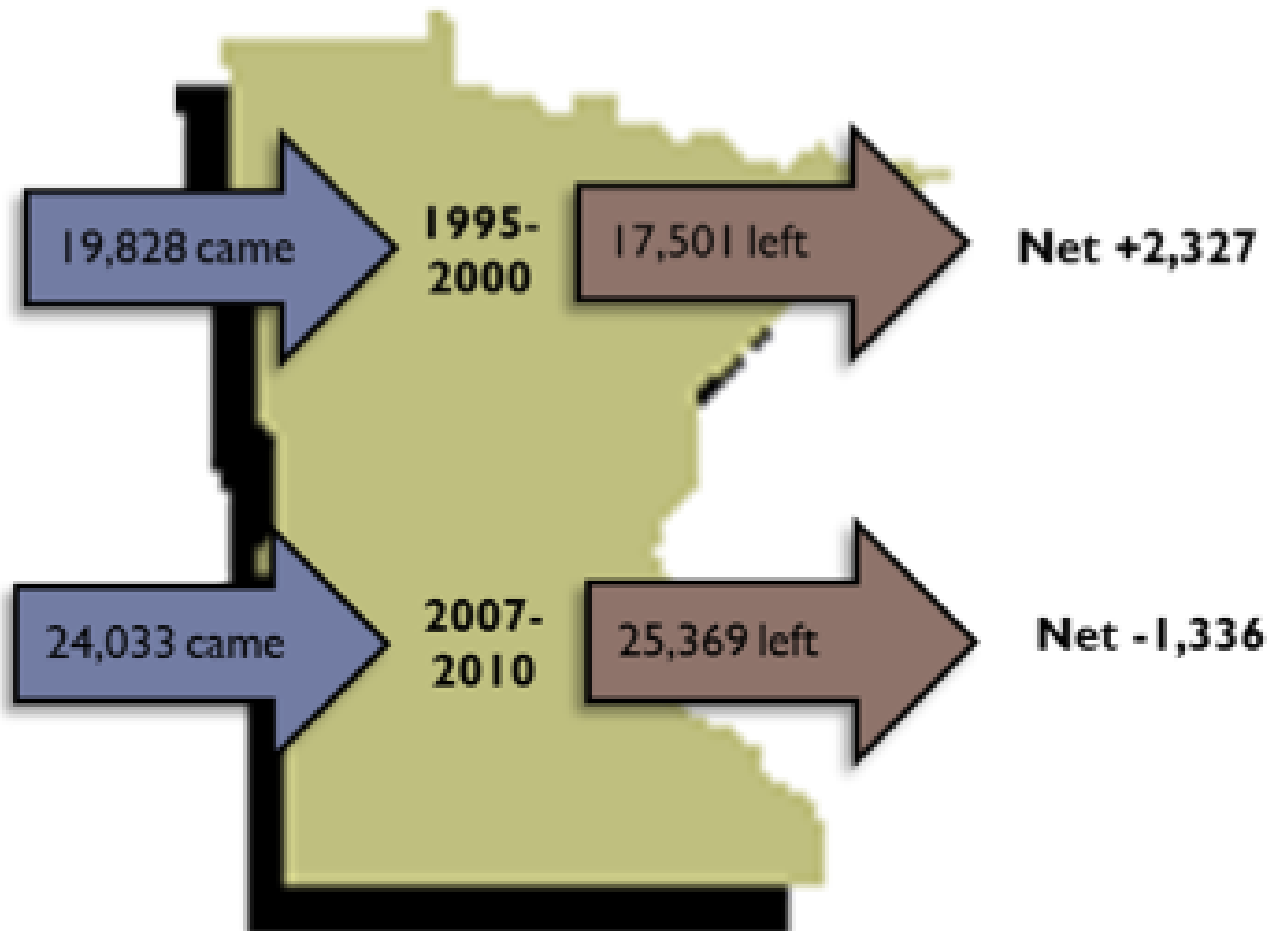
High retention:
Minnesota-born
workforce is likely
to remain in
Minnesota

MN ranks 4th in Degreed Talent retention, and 6th in Creative Talent retention nationally.

Talent working in state of birth, 2007-2010

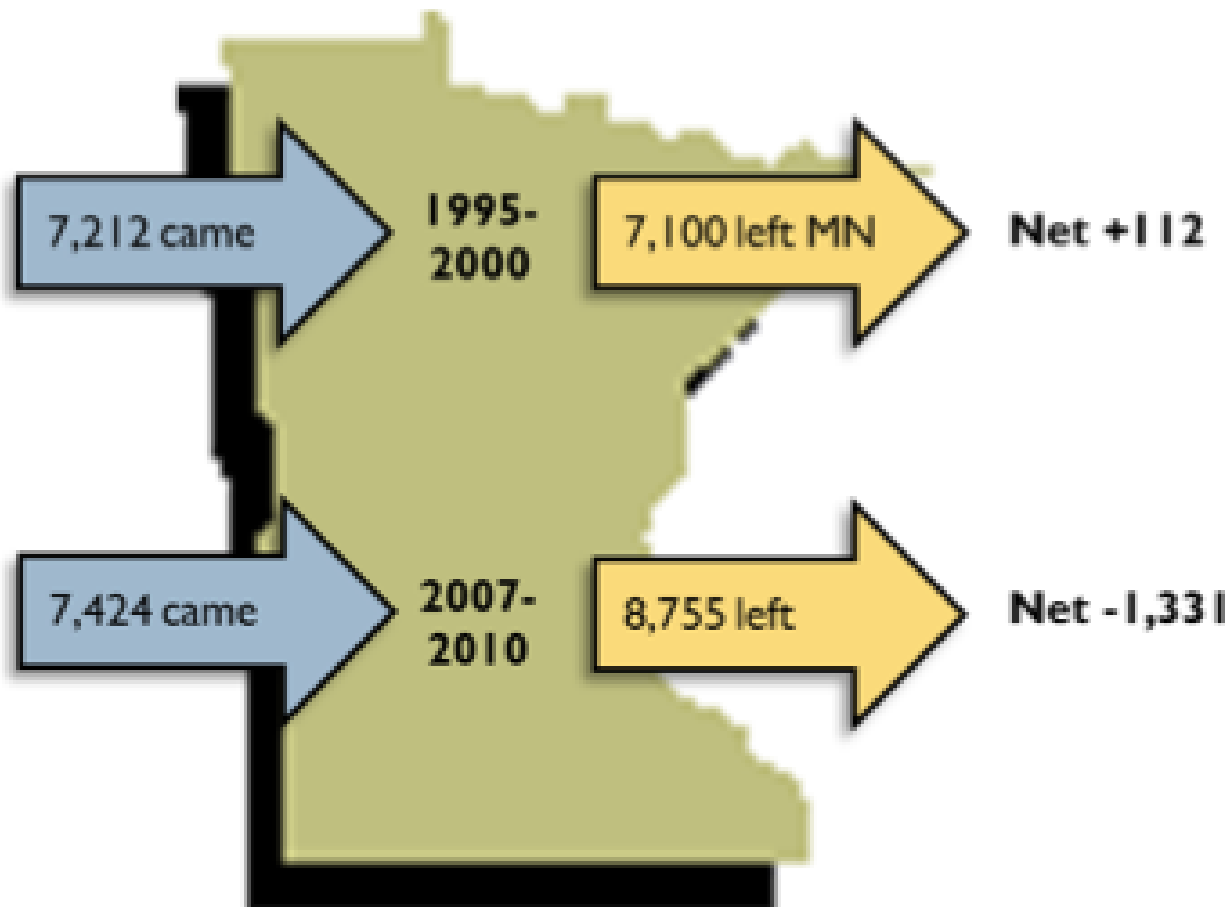
Degreed Talent			Creative Talent		
Rank	State	Percent	Rank	State	Percent
1	Texas	69.7%	1	Texas	72.7%
2	California	65.7%	2	California	67.1%
3	North Carolina	61.0%	3	North Carolina	66.4%
4	Minnesota	59.1%	4	Georgia	64.1%
5	Georgia	58.7%	5	Tennessee	63.2%
6	Utah	57.4%	6	Minnesota	62.8%
7	Washington	56.0%	7	Utah	62.5%
8	Tennessee	55.4%	8	South Carolina	60.2%
9	South Carolina	55.1%	9	Alabama	59.9%
10	Wisconsin	54.1%	10	Wisconsin	59.2%

Average annual Degreed Talent migrants
Minnesota, 1995-2000 and 2007-2010



Source: MN State Demographic Center analysis of IPUMS.

Average annual Creative Talent migrants
Minnesota, 1995-2000 and 2007-2010



Source: MN State Demographic Center analysis of IPUMS.

+ Minnesota is historically well-positioned to be competitive

Percent (age 25+) with a bachelor's degree or higher Rank of states, 2010

	States (1=best)	2010
1		
2		
3		
4	1	
5	2	
6	3	
7	4	
8	5	
9	6	
10	7	
	8	
	9	
	10	

Babies born at low birth weight (all births including multiples)

Rank of states, 2010

Real per capita Gross Domestic Product

Rank of states, 2010

Residents under age 65 without health insurance Rank of states, 2010

	States (1=best)
1	Massachusetts
2	Hawaii
3	Vermont
4	Minnesota
5	Connecticut
6	Iowa
7	Wisconsin
8	Delaware
9	North Dakota
10	Pennsylvania

Median household income

Rank of states, 2010

	States (1=best)	2010
1	Maryland	\$68,854
2	New Jersey	\$67,681
3	Alaska	\$64,576
4	Connecticut	\$64,032
5	Hawaii	\$63,030
6	Massachusetts	\$62,072
7	New Hampshire	\$61,042
8	Virginia	\$60,674
9	California	\$57,708
10	Delaware	\$55,847
11	Washington	\$55,631
12	Minnesota	\$55,459

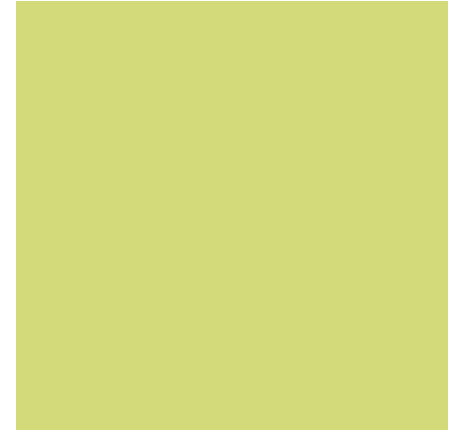


Considerations of Demographic Change

- Fewer school-age children relative to older adults will mean pressures to shift resources (public, nonprofit) from younger to older
- Education/training of our workers more important than ever
- Big changes and big opportunities ahead



Questions?
Comments?



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